Multi-layer artificial Neural Network for Estimating Real-Estate Prices

for

SOFT COMPUTING(ITE1015) SLOT:F1+TF1

in

B. Tech (Information Technology)

By

NITHISHMA.A(17BIT0184) GARLAPATI SAITEJA(17BIT0217)

FALL SEM 2019-2020

Under the guidance of

Prof. TAPAN KUMAR DAS



ABSTRACT:

The estimation of real estate prices, are a useful and realistic approach for buyers and for local and fiscal authorities. It is of utmost importance to evaluate the current status of the market and predict its performance over the short term in order to make appropriate financial decisions. We will use two advanced modelling approaches Multi-Level Models and Artificial Neural Networks to model house prices. This approach is compared with the standard Hedonic Price Model in terms of accuracy in prediction, collecting the location information and their explanatory (interpretation) power. This project presents the development of a multi-layer artificial neural network-based models to support real estate investors and home developers in this critical task. The models utilize historical market performance data sets to train the artificial neural networks in order to predict unforeseen future performances. An application example is analyzed to demonstrate the model capabilities in analyzing and predicting the market performance.

Given a set of values describing a house up for sale, a selling price is to be estimated based on the previous data. Before getting into predicting the sale-price of the house, exploratory data analysis will be performed to find out features having the highest weights in determining the same.

BACKGROUND:

1. Neural Network Based Model for Predicting Housing Market Performance.

Reference: TSINGHUA SCIENCE AND TECHNOLOGY ISSN 1007-0214 52/67 pp325-328 Volume 13, Number S1, October 2008.

The United States real estate market is currently facing its worst hit in two decades due to the slowdown of housing sales. The most affected by this decline are real estate investors and home developers who are currently struggling to break-even financially on their investments. For these investors, it is of utmost importance to evaluate the current status of the market and predict its performance over the short-term in order to make appropriate financial decisions. This paper presents the development of artificial neural network-based models to support real estate investors and home developers in this critical task. The paper describes the decision variables, design methodology, and the implementation of these models. The models utilize historical market

performance data sets to train the artificial neural networks in order to predict unforeseen future performances. An application example is analyzed to demonstrate the model capabilities in analyzing and predicting the market performance. The model testing and validation showed that the error in prediction is in the range between –2% and +2%.

2. Forecasting the land price using statistical and neural network software.

Reference: 3rd International Conference on Recent Trends in Computing 2015 (ICRTC-2015).

This paper focuses on the modelling and forecasting of land price in Chennai Metropolitan Area (CMA) in the state of Tamil nadu, India using multiple regression and neural network techniques. Thirteen locations spread over CMA are selected at random as study areas. The monthly average values of the selected factors from the year 1997 to 2011 are considered to develop the models. Both multiple regression and neural network models are validated with the market price in the year 2012 and 2013. After validation the models are used to forecast the land price in CMA for the years 2014 and 2015. Both the models are found to be well fit for the trend of land price; however, the model using neural network shows better accuracy. A careful examination of the results of forecasting bring to lime light the surge in growth of land prices in the southern and western parts of CMA.

<u>Literature Survey:</u>

Artificial Neural Networks (ANNs) are able to learn, to generalize results and to respond adequately to highly incomplete or previously unknown data (Shaw, 1992). ANN methodology was developed to capture functional forms, allowing the uncovering of hidden non-linear relationships between the variables. This method has been developed in the past years, especially using information of the study area showing outstanding performances. It represents a sub-field of computer science concerned with the use of computers in tasks that are normally considered to

require knowledge and cognitive abilities (Gevarter, 1985). It has been applied to the property price forecasting in recent years (Lai Pi-ying, 2011). Borst (1991) has defined a great number of variables in his network to appraise real estate in New York State, demonstrating that ANNs are able to predict the real estate price with 90% accuracy. ANNs perform better than multi-variate analysis, since networks are nonlinear. They can also evaluate subjective information, such as the transport system and the characteristics of the zone, which are difficult to incorporate into traditional mathematical approaches. Traditional multiple regression models have focused on the relationship between real estate prices and accessibility until a systematic review of various research works was carried out by Fujita (1989). Research about how transport system can influence real estate prices was initiated by von Thünen (1826) who laid the foundations of a theory about the distribution of land use and rents in urban areas as proposed by Alonso (1964), Muth (1969) and Mills (1972). Many hedonic studies have specified the role of quality of environment considering the real estate price (Din etal. 2001), accessibility and other local land-use attributes (Ibeas et al., 2012; Chiarazzo et al., 2014). The results highlight a significant influence of variables such as the distance in kilometres to reach the industrial centre or the value of environmental polluters on the variability of the relationship between accessibility to bus stop and real estate prices. The properties located close to the industrial area also showed significant and negative changes in value (Chiarazzo et al., 2014). Other studies have focused on the impact resulted by Bus Rapid Transit systems on real estate prices (Rodríguez and Mojica, 2009). These studies showed the impact on property values resulted by introducing a Bus Rapid Transit (BRT) system in a city and found an increase in price. In this paper, an ANN approach is proposed with an analysis of performances in estimating the sale price of residential properties.

Authors.	Methodology or Technique Used.	Advantages.	Issues.	Metrics.
Ahmed Khalafallah.	The ANN models are designed as feed-forward backpropagati on multilayer perception networks using NeuroSolution s	1.robust in approximating almost any input/output. 2.Several network structures are trained, crossvalidated and tested by varying the number of hidden layers, the number of neurons in each hidden layer, the transfer function, the learning method, the crossvalidation sample size, and the testing sample size.	The main limitation of the developed model is that it is not expected to forecast the behavior of the housing market on the long-term. The future work will include training the ANN models to forecast the performance for periods of 6 and 12 months. However, this will entail utilizing larger sets of data spanning several decades in order to capture the cycles of housing market behavior.	Total usage since Feb 2013. Citations: 29.

V.Sampathkum	NN model is	The research	In PRMSE,	Readers:17
ara.	constructed	focuses on the	both	Citation
M.Helen	with 13	modelling and	regression and	Indexes:2
Santhib.	indicators that	forecasting of	NN models	
J.	are PEs with	land price at	show errors	
Vanjinathanc.	one bias node	13 different	less than 12%	
	as input. All	locations in	which	
	the input	CMA with	demonstrates	
	values are	economic and	the	
	normalized	social	significance of	
	using the	attributes as	the modelling	
	MinMax.	influencing	methods. The	
		factors. The	low PRMSE	
		modelling and	values (< 5%)	
		forecasting of	indicate the	
		land price in	performance	
		the selected	of NN in	
		study areas is	predicting the	
		made using	system.	
		multiple		
		regression and		
		neural		
		network		
		techniques.		
		The data		
		between		
		January 1997		
		and December		
		2011 are used		
		in the models.		
Julia M.	A <i>MLP,</i> with	1.Most papers	Because of	Readers: 622
Jose M	one hidden	include, as	these limited	Citations: 5
Caridad.	layer2 6:6-6-	explanatory	number of	
Francisco J.	1:1 was used	variables, the	data and	
	with the	house size, its	factors in	
	following	location, age	certain narrow	
	input	and	range, the	

Visit	variables: size of the property measured in square meters, age of the building, location index, extras index, community expenses and quality index. They were selected after an identification process with several alternatives. The output layer includes only the transaction price, and there are six neurons in the hidden layer.	availability of garage6, and some additional data. Here, a large set of useful characteristics of each property are considered, summarising some of them in several specialized indices. 2. Sensibility analysis confirms these assertions and, due to redundancy in the variables, a subset of explanatory variables are selected, and are confirmed to be stable over the period analyzed. ANNs have the	model cannot be extended for general applications	Cited by 129
Limsombuncha	of	ability to learn	house price	Cited by 129
i	this value is	and model	used is not the	
'	determined by	non-linear and	asca is not the	
	determined by	HOH-IIIIEAI AND		

the total mean square error and then back propagation is used in an attempt to reduce prediction errors, which is done through the adjusting of the connection weights. The performance of the network can be influenced by the number of hidden layers and the number of nodes that are included in each hidden layer.

complex relationships, which is really important because in real-life, many of the relationships between inputs and outputs are non-linear as well as complex. ANNs can generalize — After learning from the initial inputs and their relationships, it can infer unseen relationships on unseen data as well, thus making the model generalize and predict on unseen data.

actual sale price but the estimated price due to the difficulty in obtaining the real data from the market. Secondly, this paper considered only the current year's information of the houses. The time effect of the house price, which could potentially impact the estimated results was ignored (the same house should have different price in different years, assuming that age factor is constant). Finally, the house price

could be

Vincenza Chiarazzo Leonardo Caggiania Mario Marinellia Michele Ortonville	In this paper, a model based on Artificial Neural Network (ANN) has been applied to real estate appraisal. Moreover, an evaluation of ANN performances in estimating the sale price of residential properties has been carried out.	An advantage of the proposed approach is that, using ANNs, there is no need to assume explicit functions between input and output of the studies because an ANN learns directly from observed data	affected by some other economic factors (such as exchange rate and interest rate) are not included in the estimation. In order to evaluate the most significant input variables, a sensitivity analysis has been carried out. For this purpose, starting from the same dataset, the ANN training phase has been repeated 42 times, eliminating each time one of the 42 input variables.	Cited by 17
Víctor Hugo Masías Mauricio A. Valle	We construct the hedonic models using Random Forest (RF),	Random Forest model produced the best predictions of	First, the sample we used contained only	Referred by 1253

Support
Vector
Machine
(SVM),
Neural
Network (NN)
and classical
multiple
Linear
Regression
(LR) using OLS
and compare
their
predictive
performance.

Santiago housing prices. This is consistent with the findings of the international literature, which have demonstrated the superior predictive performance of the RF algorithm for explaining housing prices in other markets.

new housing units and thus did not reflect the whole Santiago housing market. A future study could include housing units of all ages, with unit age then becoming one of the explanatory variables. This would result in a model with better price predictions, more meaningful market segmentation and more accurate measures of variable importance. The second limitation of our research has to do with spatial

A. Azadeh B. Ziaei, M. Moghaddam	The Hybrid Fuzzy Linear Regression- Fuzzy Cognitive Map algorithm	This paper presents a hybrid algorithm based on fuzzy linear regression (FLR) and fuzzy cognitive map (FCM) to deal with the problem of forecasting and optimization of housing	correlation of the model residuals, particularly in linear models estimated with OLS. The relations, which relate to the house price, have no values; thus, an influence matrix should be developed in order to determine the relations	Readers: 589 Citations: 4
Hakan Kusan , Osman Aytekin, Ilker Özdemir.	Fuzzy logic inference system	It is seen that of the unit price has a very wide range distribution, while considering the qualitative and statistical properties of the unit price	Because of these limited number of data and factors in certain narrow range, the model cannot be extended for general applications	Readers: 455 Citations:3

Dr.Christopher Gan and Dr.Minsoo Lee	hedonic price model	(UP, \$/m2), which is the sale price per unit area of the residence as the dependent variable attempted to be explained. The advantage of the hedonic methods is that they control for the characteristics of properties, thus allowing the analyst to distinguish the impact of changing	model specification procedures, multicollinearity, independent variable interactions, heteroscedasticity, non-linearity and outlier data	Readers: 323
		sample composition	points can seriously	
		from actual	hinder the performance	
		property appreciation	of hedonic	
			price model in	
			real estate	
	_,		valuations.	
Limsombuncha	The model	ANNs have the	Artificial	Readers: 18
i Commerce Division,	consists of three main	ability to learn	neural networks	
Lincoln	layers: input	non-linear and	require	
University,	data layer	complex	processors	
Canterbury	(example the	relationships,	with parallel	
	property	which is really	processing	

8150, New Zealand.	attributes), hidden layer(s) (commonly referred as "black box"), and output layer (estimated house price).	important because in real-life, many of the relationships between inputs and outputs are non-linear as well as complex.	power, in accordance with their structure. For this reason, the realization of the equipment is dependent. Unexplained behavior of the network: This is the most important problem of ANN. When ANN produces a probing solution, it does not give a clue as to why and how. This reduces trust in the network	
MarioMarinelli MicheleOttom anelli	Artificial Neural Network (ANN) has been applied to real estate appraisal.	Artificial neural networks have numerical strength that can perform more than one job at the same time. Artificial neural	ANNs can work with numerical information. Problems have to be translated into numerical values before being	Readers: 332

		networks learn events and make decisions by commenting on similar events.	introduced to ANN	
A.K. Soni 1 , Abdulkadir Abubakar Sadiq2	Neural network is an artificial intelligence model originally designed to replicate the human brain's learning process. The model consists of three main layers: input data layer (example the property attributes), hidden layer(s) (commonly referred as "black box"), and output layer.	Storing information on the entire network: Information such as in traditional programming is stored on the entire network, not on a database. The disappearance of a few pieces of information in one place does not prevent the network from functioning.	The duration of the network is unknown: The network is reduced to a certain value of the error on the sample means that the training has been completed. This value does not give us optimum results.	Readers: 788
V. Kontrimas and A. Verikas	The ANN (FFBP) Network	A neural network can perform tasks that a linear program can not. When an	The neural network needs training to operate. The architecture of	Readers: 21

		element of the neural network fails, it can continue without any problem by their parallel nature.	a neural network is different from the architecture of microprocesso rs therefore needs to be emulated.	
Itedal Sabri Hashim Bahia	Artificial Neural Network (ANN) is a neurobiologic al inspired paradigm that emulates the functioning of the brain based on the way that neurons work, because they are recognized as the cellular elements responsible for the brain information processing	Artificial neural networks have numerical strength that can perform more than one job at the same time. Artificial neural networks learn events and make decisions by commenting on similar events.	The display mechanism to be determined here will directly influence the performance of the network . This depends on the user's ability.	Readers: 45 Citations: 2
] L. Huan and M. Hiroshi,	The ANN (CFBP) Network. CF artificial intelligence model is similar to	They can work fine in case of incomplete information. They do not require knowledge of	Requires high processing time for la Advantages / disadvantages Neural networks have	Cited By: 4

feedforward	the algorithm	a number of	
backpropagati	solving the	advantages.	
on neural	problem	Linear and	
network in	(automatic	nonlinear	
using the	learning).	models:	
backpropagati	Process	Complex linear	
on algo rithm	information in	and nonlinear	
for weights	a highly	relationships	
updating, but	parallel way.	can be derived	
the main		using neural	
symptom of		networks.	
this network is			
that each layer			
of neurons			
related to all			
previous layer			
of neurons			

ALGORITHM USED:

Neural network terminology is inspired by the biological operations of specialized cells called neurons. A neuron is a cell that has several inputs that can be activated by some outside process.

Depending on the amount of activation, the neuron produces its own activity and sends this along its outputs. The artificial equivalent of a neuron is a node (also sometimes called neurons, but I will refer to them as nodes to avoid ambiguity) that receives a set of weighted inputs, processes their sum with its activation function and passes the result of the activation function to nodes further down the graph. Note that it is simpler to represent the input to our activation function as a dot product:

$$\phi(\Sigma iwiai) = \phi(wTa)\phi(\Sigma iwiai) = \phi(wTa)$$

we can use a linear activation function:- identity activation function

 $\varphi(wTa)=wTa\varphi(wTa)=wTa$

The tanh activation function:

 $\varphi(wTa)=tanh(wTa)\varphi(wTa)=tanh(wTa)$

We can then form a network by chaining these nodes together. Usually this is done in layers - one node layer's outputs are connected to the next layer's inputs (we must take care not to introduce cycles in our network, for reasons that will become clear in the section on backpropagation)

Training in this case involves learning the correct edge weights to produce the target output given the input. The network and its trained weights form a function that operates on input data. With the trained network, we can make predictions given any unlabeled test input.

Steps:

Step 0: Load The Data

Step 1: Dataset Summary & Exploration

Step 2: Design and Test a Model Architecture

Step 2.1:Pre-process the Data Set

Step 2.2:Data augmentation

Step 2.3: Train, Validate and Test the Model

Step 3: Test a Model on by cross validating the dataset with neural network

Step 4: Visualize the Neural Network's State by fitting the dataset values

Step 0: Load The Data

Step 1: Dataset Summary & Exploration

The dataset is provided by Zillow a real estate company based in US. It has price and house description of 1.46K rows. The following image shows the most co-related features with sale-price.

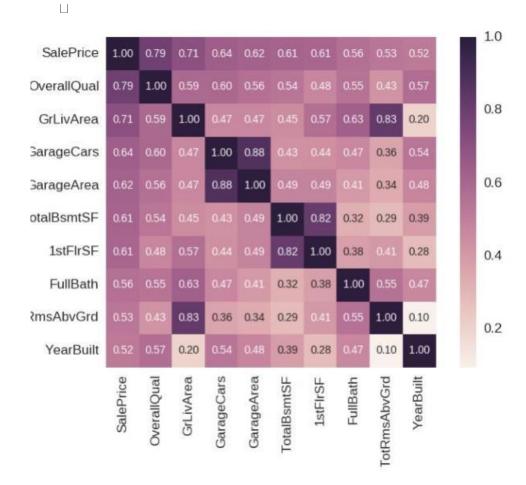
Step 2: Design and Test a Model Architecture

Design and implement a neural network model that learns to estimate the real estate prices. Train and test your model on the Zillow's real estate dataset.

There are various aspects to consider when thinking about this problem:

□ Neural network architecture (is the network over or underfitting?)

Ш



Play around preprocessing techniques (normalization, rgb to grayscale, etc) Number of examples per label (some have more than others). Generate fake data.

Step 2.1:Pre-process the Data Set

- First finding the missing values in the dataset and dropping those values
- □ Shortlisting the columns which are much correlated with the sale price

Step 2.2:Data augmentation

The first thing I tried is to augment the data by removing the nnull values by dropping the columns in the dataset and taking the columns which are more correlated with the label value and having less null values

Step 2.3: Train, Validate and Test the Model

A validation set can be used to assess how well the model is performing. A low accuracy on the training and validation sets imply underfitting. A high accuracy on the training set but low accuracy on the validation set implies overfitting.

Step 3: Test a Model on by cross validating the dataset with neural network

By constructing a 4 layer neural network and fitting the dataset feature and label value we can find the mean squared error after every epoch

Step 4: Visualize the Neural Network's State by fitting the dataset values

While neural networks can be a great learning device they are often referred to as a black box. We can understand what the weights of a neural network look like better by plotting their feature maps. After successfully training your neural network you can see what it's feature maps look like by plotting the output of the network's weight layers in response to a test the loss. From these plotted feature maps, it's possible to see what characteristics of an dataset the network finds

interesting. For a sign, maybe the inner network feature maps react with high activation to the sign's boundary outline or to the contrast in the sign's painted symbol.

Provided for you below is the function code that allows you to get the visualization output of any tensorflow weight layer you want. The inputs to the function should be a shortlisted dataset, one used during training or a new one you provided, and then the tensorflow variable name that represents the layer's state during the training process.

Briefly:

- 1. Start
- 2. Import required libraries i.e., pandas, sklearn, matplotlib etc..,
- 3. Import the "train" csv file with the help of pandas as df_train
- 4. Take required columns from the train csv file which shows major change with the label value
- 5. Then shortlisted columns are taken with the highest correlation with the label value(Sale value)
- 6. Detect the null values and drop those values
- 7. Selecting important features which makes big contribution to label as imp_feats
- 8. Train a neural network with first layer of 256 and second layer of 64 inputs and third layer of 32 inputs and the final layer of single input
- 9. Fit the values of shortlisted X and the label Y with 5000 epochs as history
- 10. By doing history.history we get the values of 'val_loss', 'val_mean_absolute_percentage_error', 'loss', 'mean_absolute_percentage_error' of each epoch
- 11. We get the model accuracy with plotting val_mean_absolute_percentage_error and 'mean_absolute_percentage_error with xlabel as epoch and ylabel as mean percentage error
 - We get the model loss with plotting loss and val_loss with xlabel as epoch and ylabel as loss.

SOFTWARE USED:

Jupyter software will be used for implementing the code as it is a web application used to create live codes for machine learning. We would develop the multi-layer artificial neural network for real-estate price estimation using python language.

EXPECTED RESULTS:

The expected outcome of our multi-layer artificial neural network is to create a model that would predict the prices of the houses up for sale. After the completion of our project, we would expect our model to estimate the real-estate prices based on the training data with least mean absolute percentage error(MAPE) score.

PCA code

```
import numpy as np
import pandas as pd
from matplotlib import pyplot as plt
import seaborn as sns
%matplotlib inline
# Load the train data in a dataframe
train = pd.read_csv(r'C:\Users\Nithishma\Desktop\train.csv')
test = pd.read_csv(r'C:\Users\Nithishma\Desktop\test.csv')
train.info()
```

```
nulls = train.isnull().sum().sort_values(ascending=False)
nulls.head(20)
train = train.drop(['Id','PoolQC','MiscFeature','Alley','Fence'],axis = 1)
train[['Fireplaces','FireplaceQu']].head(10)
train['FireplaceQu'].isnull().sum()
train['Fireplaces'].value_counts()
train['FireplaceQu']=train['FireplaceQu'].fillna('NF')
train['LotFrontage']
=train['LotFrontage'].fillna(value=train['LotFrontage'].mean())
train['GarageType'].isnull().sum()
train['GarageCond'].isnull().sum()
train['GarageFinish'].isnull().sum()
train['GarageYrBlt'].isnull().sum()
train['GarageQual'].isnull().sum()
train['GarageArea'].value counts().head()
train['GarageType']=train['GarageType'].fillna('NG')
train['GarageCond']=train['GarageCond'].fillna('NG')
train['GarageFinish']=train['GarageFinish'].fillna('NG')
train['GarageYrBlt']=train['GarageYrBlt'].fillna('NG')
train['GarageQual']=train['GarageQual'].fillna('NG')
train.BsmtExposure.isnull().sum()
train.BsmtFinType2.isnull().sum()
```

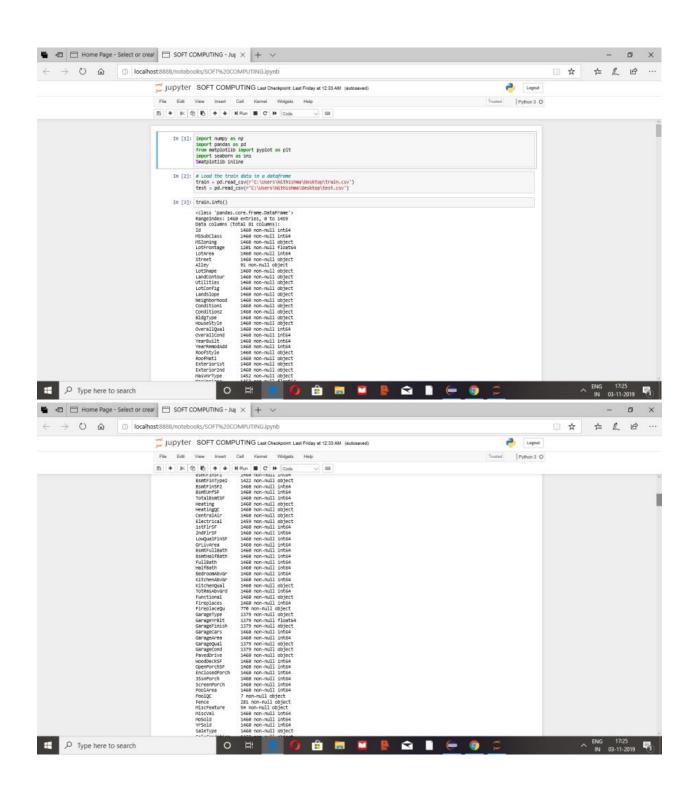
```
train.BsmtFinType1.isnull().sum()
train.BsmtCond.isnull().sum()
train.BsmtQual.isnull().sum()
train.TotalBsmtSF.value counts().head()
train.TotalBsmtSF.value counts().head()
train['BsmtExposure']=train['BsmtExposure'].fillna('NB')
train['BsmtFinType2']=train['BsmtFinType2'].fillna('NB')
train['BsmtFinType1']=train['BsmtFinType1'].fillna('NB')
train['BsmtCond']=train['BsmtCond'].fillna('NB')
train['BsmtQual']=train['BsmtQual'].fillna('NB')
train['MasVnrArea'] = train['MasVnrArea'].fillna(train['MasVnrArea'].mean())
train['MasVnrType'] = train['MasVnrType'].fillna('none')
train.Electrical = train.Electrical.fillna('SBrkr')
train.isnull().sum().sum()
num train = train. get numeric data()
num train.columns
def var summary(x):
      return pd.Series([x.count(), x.isnull().sum(), x.sum(), x.mean(), x.median(),
x.std(), x.var(), x.min(), x.quantile(0.01),
x.quantile(0.05), x.quantile(0.10), x.quantile(0.25), x.quantile(0.50), x.quantile
75), x.quantile(0.90), x.quantile(0.95), x.quantile(0.99), x.max()],
index=['N', 'NMISS', 'SUM', 'MEAN', 'MEDIAN', 'STD', 'VAR', 'MIN', 'P1', 'P5'
,'P10','P25','P50','P75','P90','P95','P99','MAX'])
```

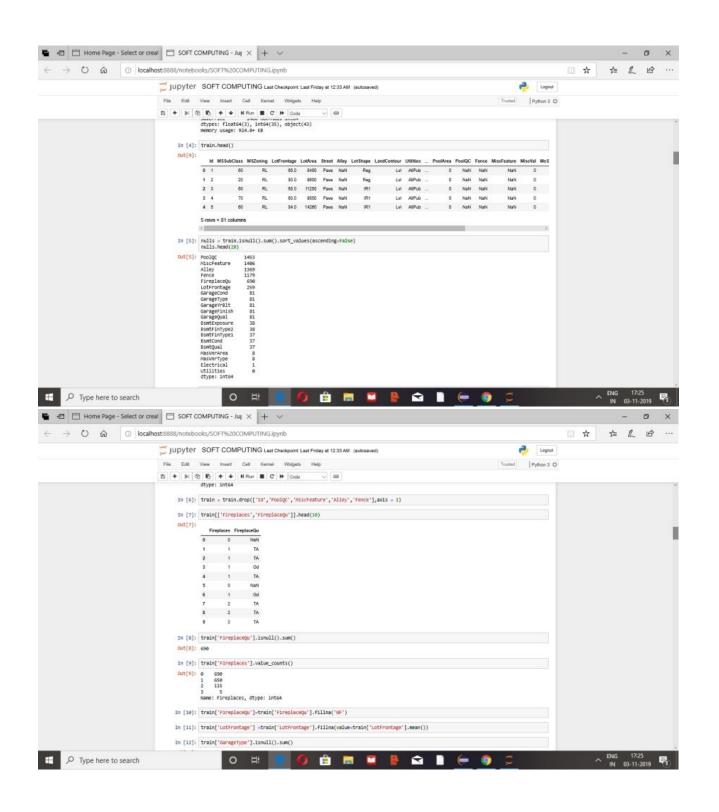
```
num_train.apply(lambda x: var_summary(x)).T
sns.boxplot([num train.LotFrontage])
train['LotFrontage']=
train['LotFrontage'].clip(upper=train['LotFrontage'].quantile(0.99))
sns.boxplot(num_train.LotArea)
train['LotArea']= train['LotArea'].clip(upper=train['LotArea'].guantile(0.99))
sns.boxplot(train['MasVnrArea'])
train['MasVnrArea']=
train['MasVnrArea'].clip(upper=train['MasVnrArea'].quantile(0.99))
sns.boxplot(train['BsmtFinSF1'])
sns.boxplot(train['BsmtFinSF2'])
train['BsmtFinSF1']=
train['BsmtFinSF1'].clip(upper=train['BsmtFinSF1'].quantile(0.99))
train['BsmtFinSF2']=
train['BsmtFinSF2'].clip(upper=train['BsmtFinSF2'].quantile(0.99))
sns.boxplot(train['TotalBsmtSF'])
train['TotalBsmtSF']=
train['TotalBsmtSF'].clip(upper=train['TotalBsmtSF'].quantile(0.99))
sns.boxplot(train['1stFlrSF'])
train['1stFlrSF']= train['1stFlrSF'].clip(upper=train['1stFlrSF'].quantile(0.99))
sns.boxplot(train['2ndFlrSF'])
train['2ndFlrSF']= train['2ndFlrSF'].clip(upper=train['2ndFlrSF'].quantile(0.99))
sns.boxplot(train['GrLivArea'])
```

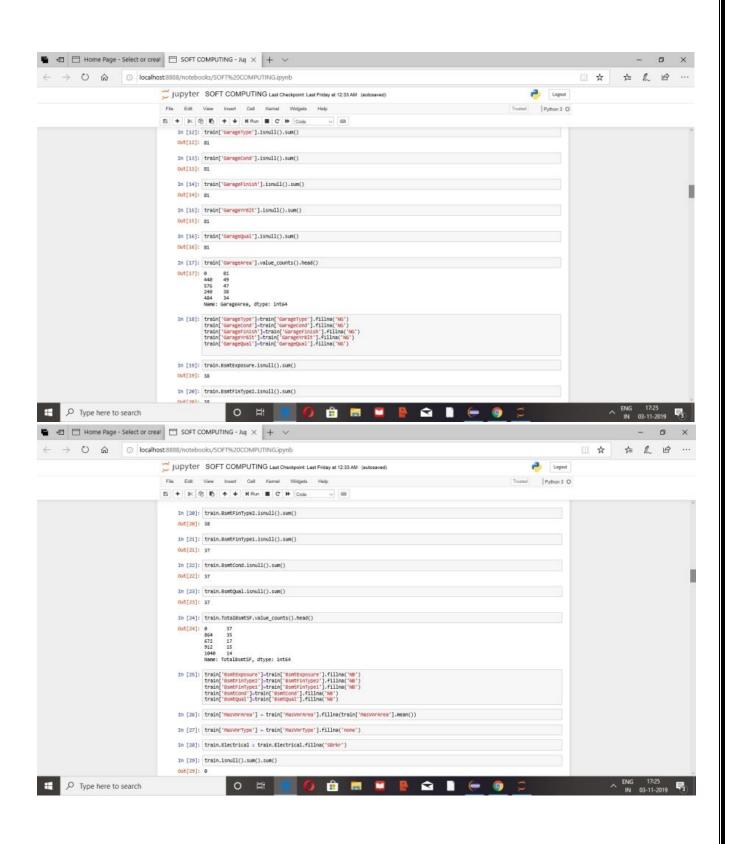
```
train['GrLivArea']=
train['GrLivArea'].clip(upper=train['GrLivArea'].quantile(0.99))
sns.boxplot(train['BedroomAbvGr'])
train['BedroomAbvGr']=
train['BedroomAbvGr'].clip(upper=train['BedroomAbvGr'].quantile(0.99))
train['BedroomAbvGr']=
train['BedroomAbvGr'].clip(lower=train['BedroomAbvGr'].quantile(0.01))
sns.boxplot(train['GarageCars'])
train['GarageCars']=
train['GarageCars'].clip(upper=train['GarageCars'].quantile(0.99))
sns.boxplot(train['GarageArea'])
train['GarageArea']=
train['GarageArea'].clip(upper=train['GarageArea'].quantile(0.99))
sns.boxplot(train['WoodDeckSF'])
train['WoodDeckSF']=
train['WoodDeckSF'].clip(upper=train['WoodDeckSF'].quantile(0.99))
sns.boxplot(train['OpenPorchSF'])
train['OpenPorchSF']=
train['OpenPorchSF'].clip(upper=train['OpenPorchSF'].quantile(0.99))
sns.boxplot(train['EnclosedPorch'])
train['EnclosedPorch']=
train['EnclosedPorch'].clip(upper=train['EnclosedPorch'].quantile(0.99))
sns.boxplot(train['3SsnPorch'])
train['3SsnPorch']=
train['3SsnPorch'].clip(upper=train['3SsnPorch'].quantile(0.99))
```

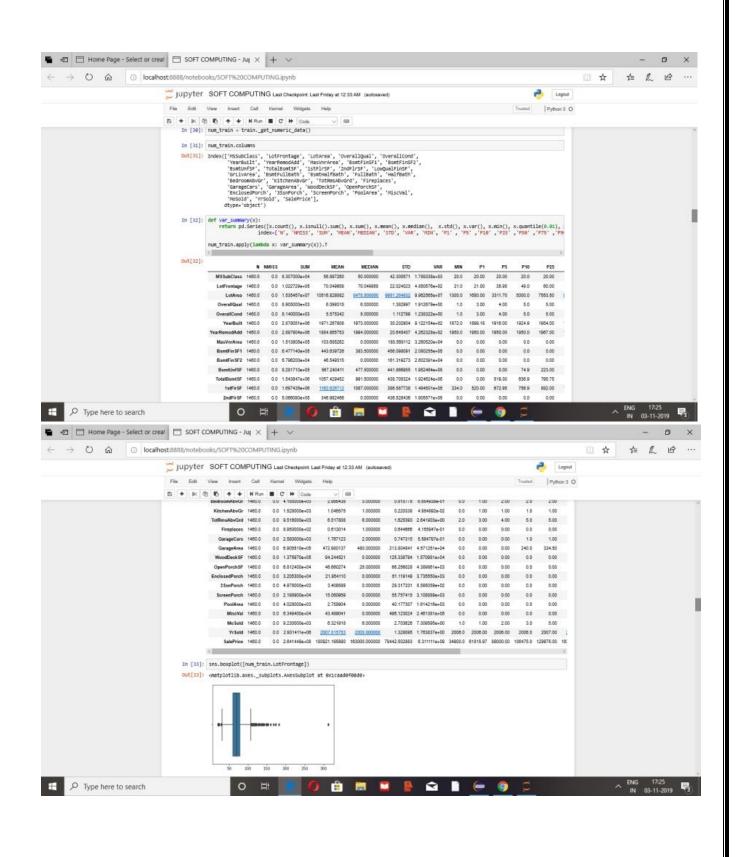
```
sns.boxplot(train['ScreenPorch'])
train['ScreenPorch']=
train['ScreenPorch'].clip(upper=train['ScreenPorch'].quantile(0.99))
sns.boxplot(train['PoolArea'])
train['PoolArea']= train['PoolArea'].clip(upper=train['PoolArea'].quantile(0.99))
sns.boxplot(train['MiscVal'])
sns.boxplot(train.SalePrice)
train['SalePrice'] = train['SalePrice'].clip(upper=train['SalePrice'].quantile(0.99))
train['SalePrice']= train['SalePrice'].clip(lower=train['SalePrice'].quantile(0.01))
train['MiscVal']= train['MiscVal'].clip(upper=train['MiscVal'].quantile(0.99))
num corr=num train .corr()
plt.subplots(figsize=(13,10))
sns.heatmap(num corr,vmax =.8, square = True)
k = 14
cols = num corr.nlargest(k, 'SalePrice')['SalePrice'].index
cm = np.corrcoef(num_train[cols].values.T)
sns.set(font scale=1.35)
f, ax = plt.subplots(figsize=(10,10))
hm=sns.heatmap(cm, annot = True, vmax =.8, yticklabels=cols.values,
xticklabels = cols.values)
from sklearn.preprocessing import StandardScaler
train d = pd.get dummies(train)
```

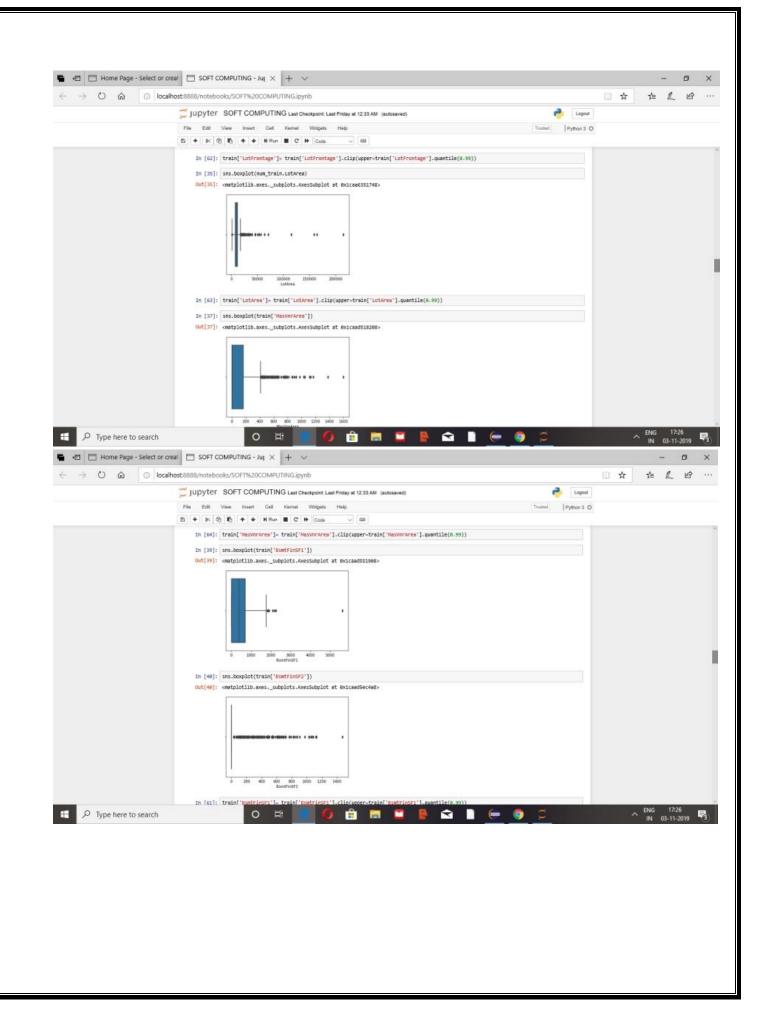
```
train_d1 = train_d.drop(['SalePrice'],axis = 1)
y = train_d.SalePrice
scaler = StandardScaler()
scaler.fit(train_d1)
t_train = scaler.transform(train_d1)
from sklearn.decomposition import PCA
pca_hp = PCA(30)
x_fit = pca_hp.fit_transform(t_train)
np.exp(pca_hp.explained_variance_ratio_)
```

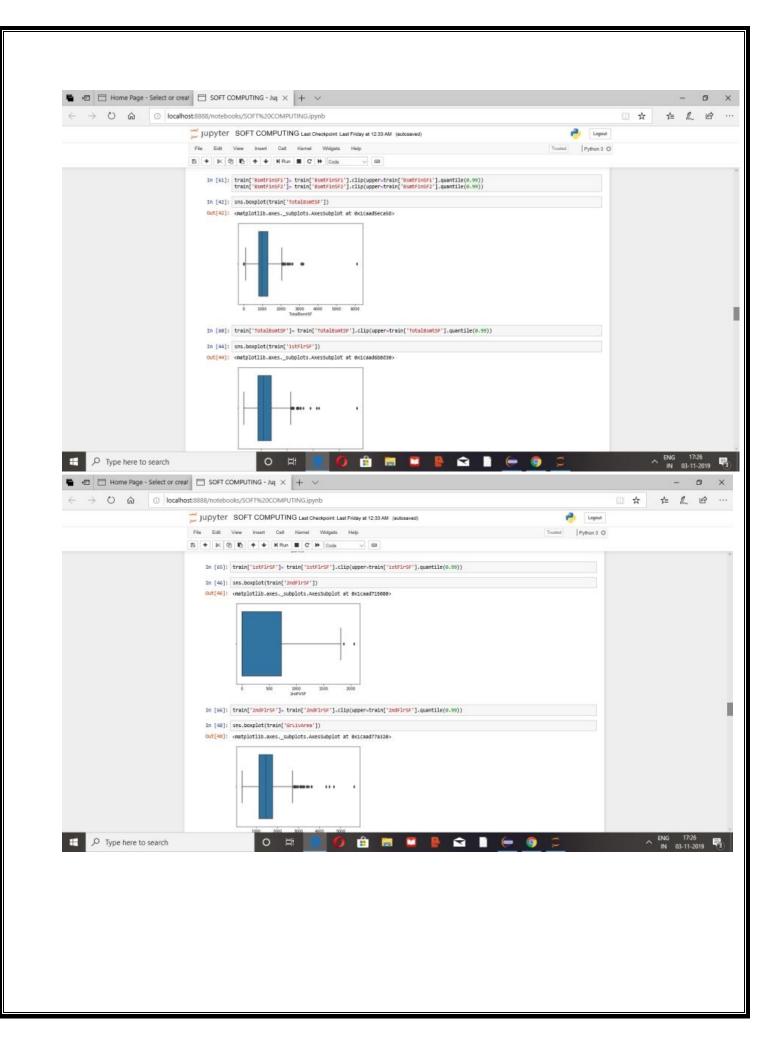


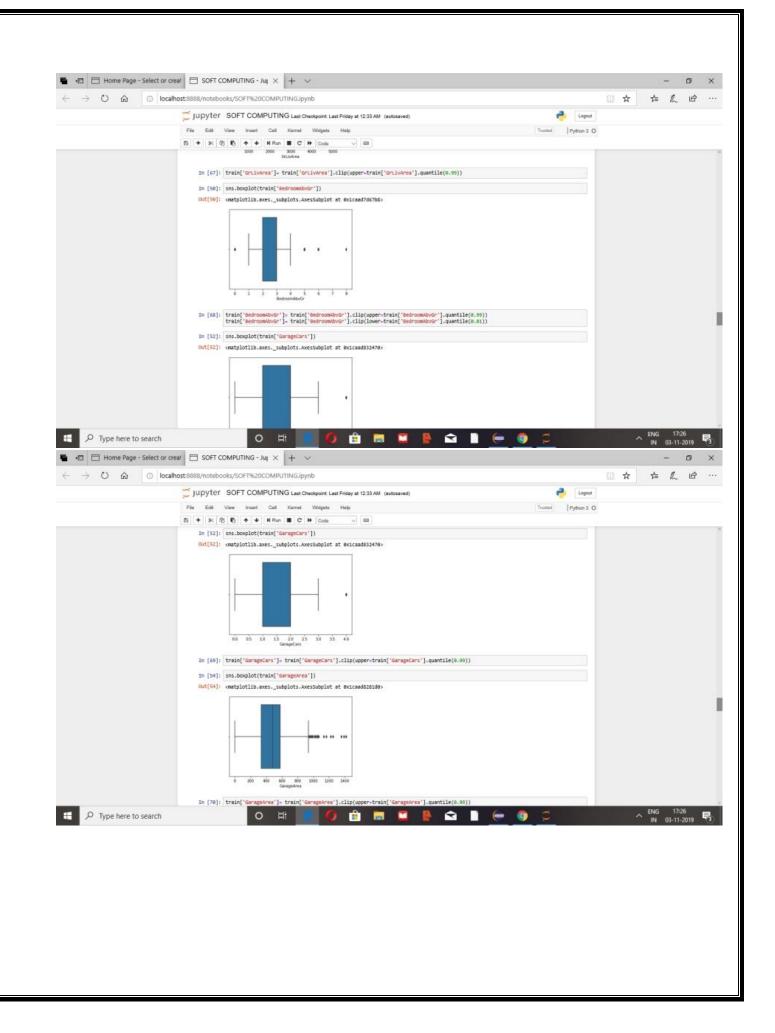


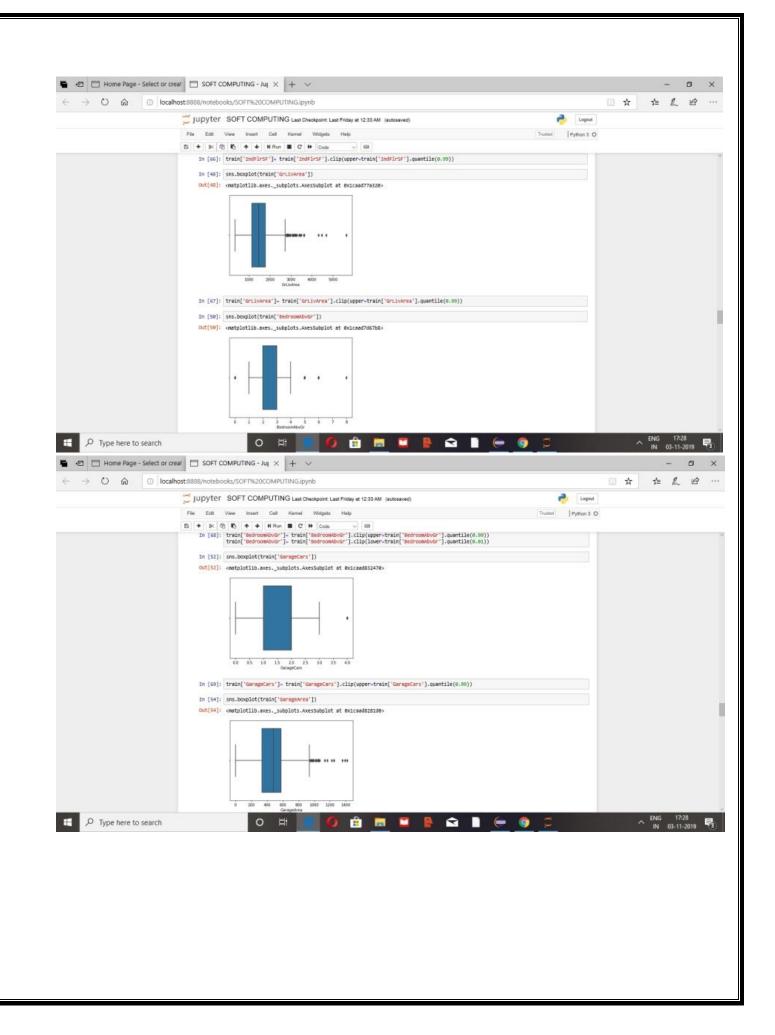


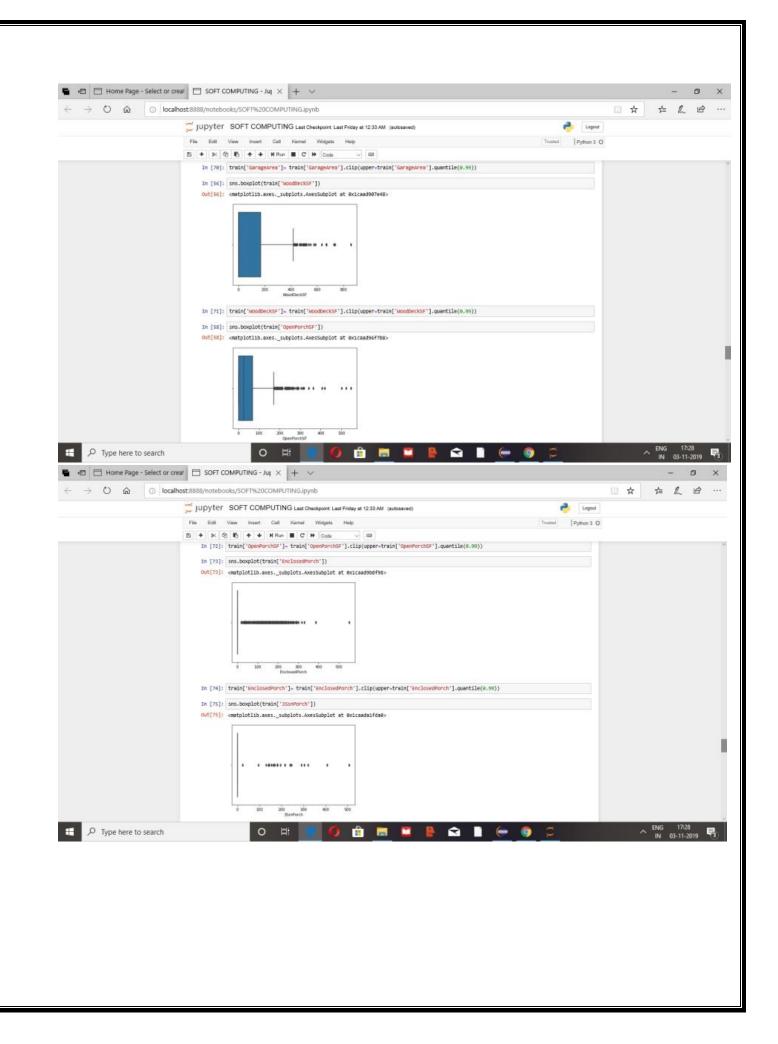


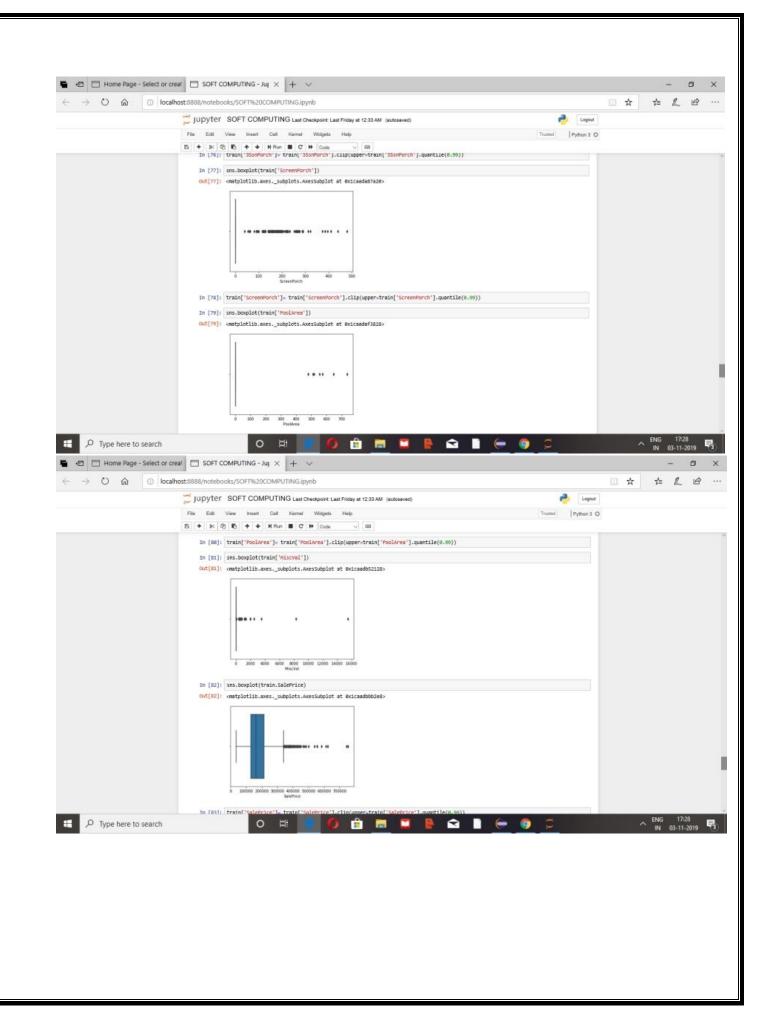


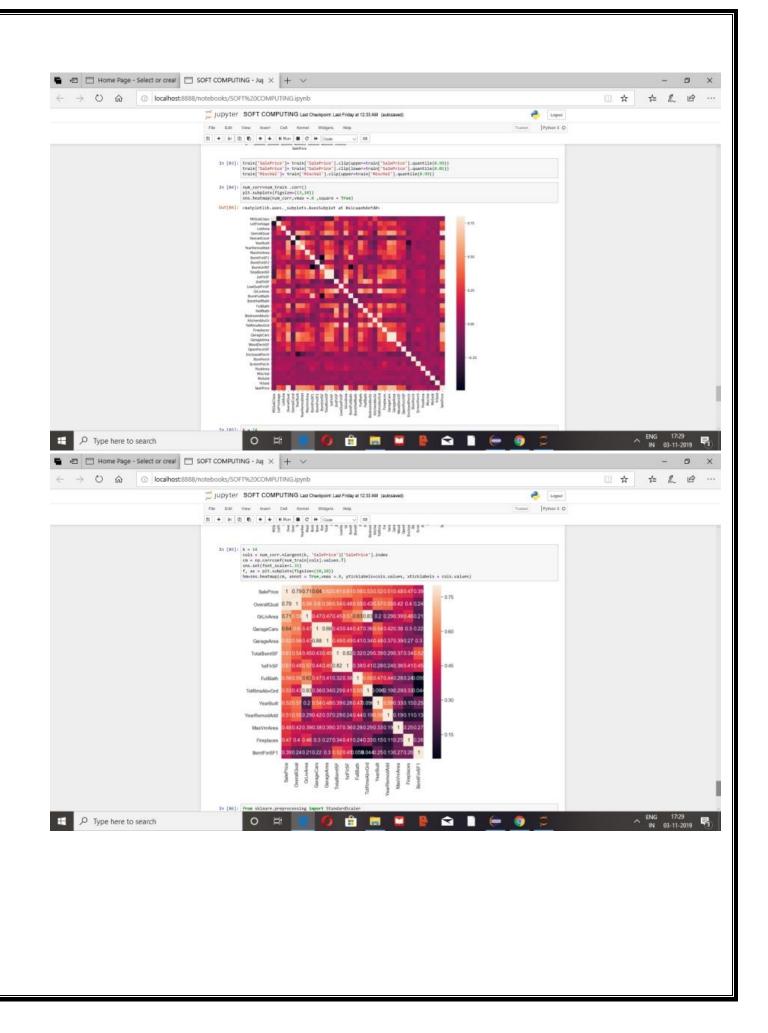


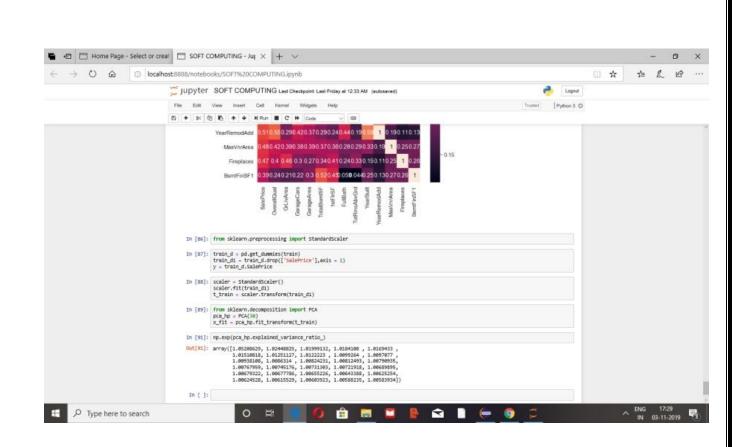












• nn code:

import os

import keras

from __future__ import absolute_import

from __future__ import division

from __future__ import print_function

import itertools

import pandas as pd

```
import numpy as np
import matplotlib.pyplot as plt
from pylab import rcParams
import matplotlib
from sklearn.model_selection import train_test_split
from sklearn.preprocessing import MinMaxScaler
train = pd.read csv(r'C:\Users\Nithishma\Desktop\train.csv')
print('Shape of the train data with all features:', train.shape)
train = train.select dtypes(exclude=['object'])
print("")
print('Shape of the train data with numerical features:', train.shape)
train.drop('Id',axis = 1, inplace = True)
train.fillna(0,inplace=True)
test = pd.read_csv(r'C:\Users\Nithishma\Desktop\test.csv')
test = test.select_dtypes(exclude=['object'])
ID = test.Id
test.fillna(0,inplace=True)
test.drop('Id',axis = 1, inplace = True)
print("")
print("List of features contained our dataset:",list(train.columns))
```

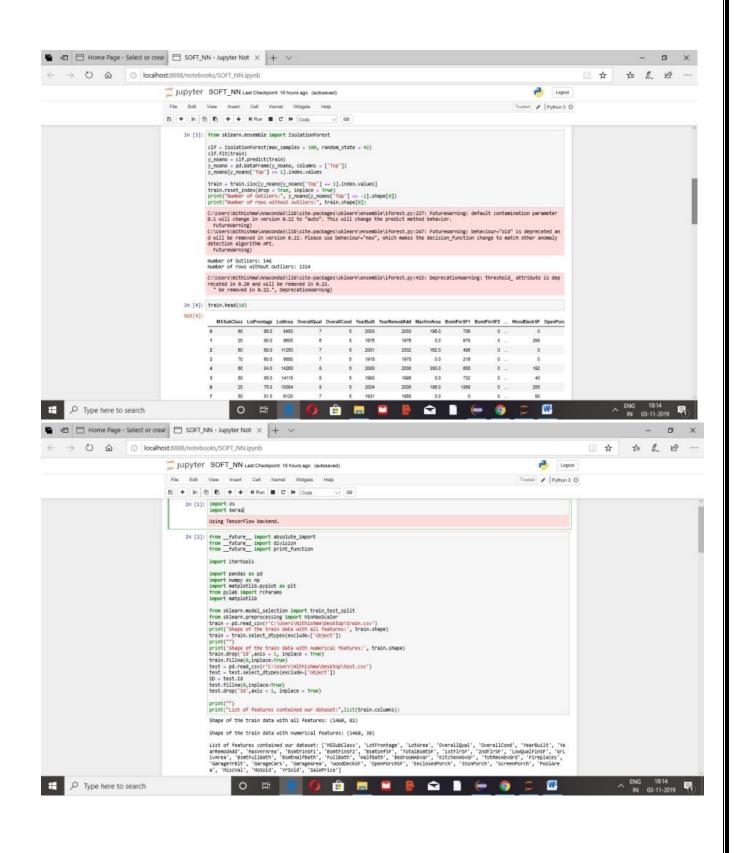
```
from sklearn.ensemble import IsolationForest
clf = IsolationForest(max_samples = 100, random_state = 42)
clf.fit(train)
y_noano = clf.predict(train)
y_noano = pd.DataFrame(y_noano, columns = ['Top'])
y_noano[y_noano['Top'] == 1].index.values
train = train.iloc[y_noano[y_noano['Top'] == 1].index.values]
train.reset index(drop = True, inplace = True)
print("Number of Outliers:", y_noano[y_noano['Top'] == -1].shape[0])
print("Number of rows without outliers:", train.shape[0])
import warnings
warnings.filterwarnings('ignore')
col train = list(train.columns)
col_train_bis = list(train.columns)
col_train_bis.remove('SalePrice')
mat_train = np.matrix(train)
mat_test = np.matrix(test)
```

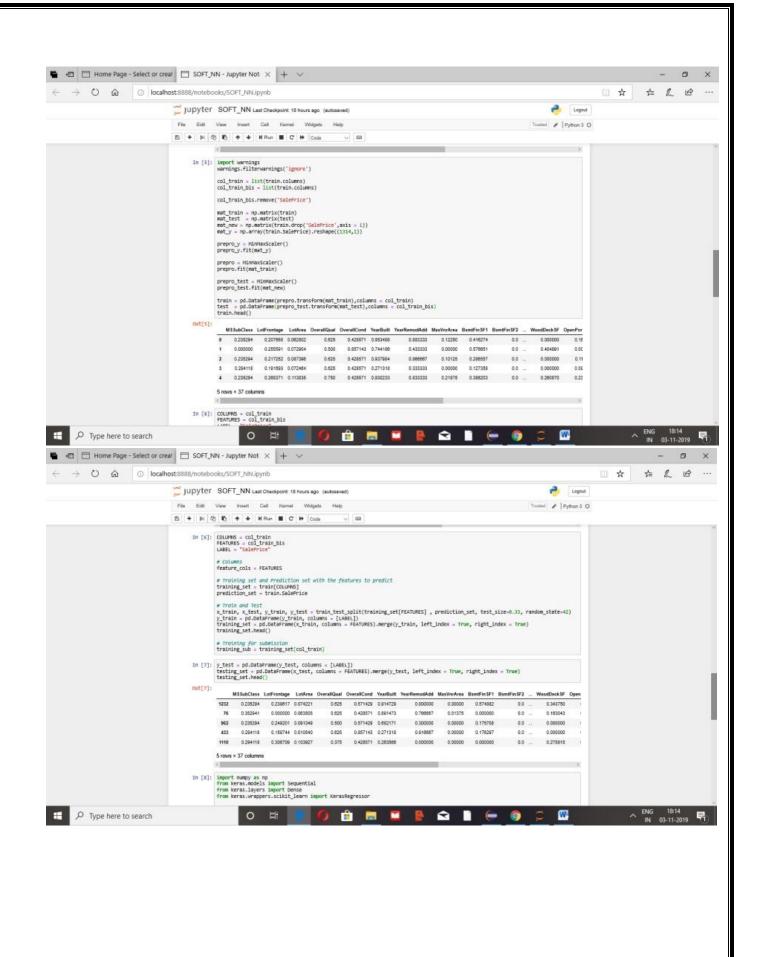
```
mat_new = np.matrix(train.drop('SalePrice',axis = 1))
mat_y = np.array(train.SalePrice).reshape((1314,1))
prepro_y = MinMaxScaler()
prepro_y.fit(mat_y)
prepro = MinMaxScaler()
prepro.fit(mat_train)
prepro_test = MinMaxScaler()
prepro_test.fit(mat_new)
train = pd.DataFrame(prepro.transform(mat_train),columns = col_train)
test = pd.DataFrame(prepro test.transform(mat test),columns =
col_train_bis)
train.head()
COLUMNS = col_train
FEATURES = col_train_bis
LABEL = "SalePrice"
# Columns
feature_cols = FEATURES
```

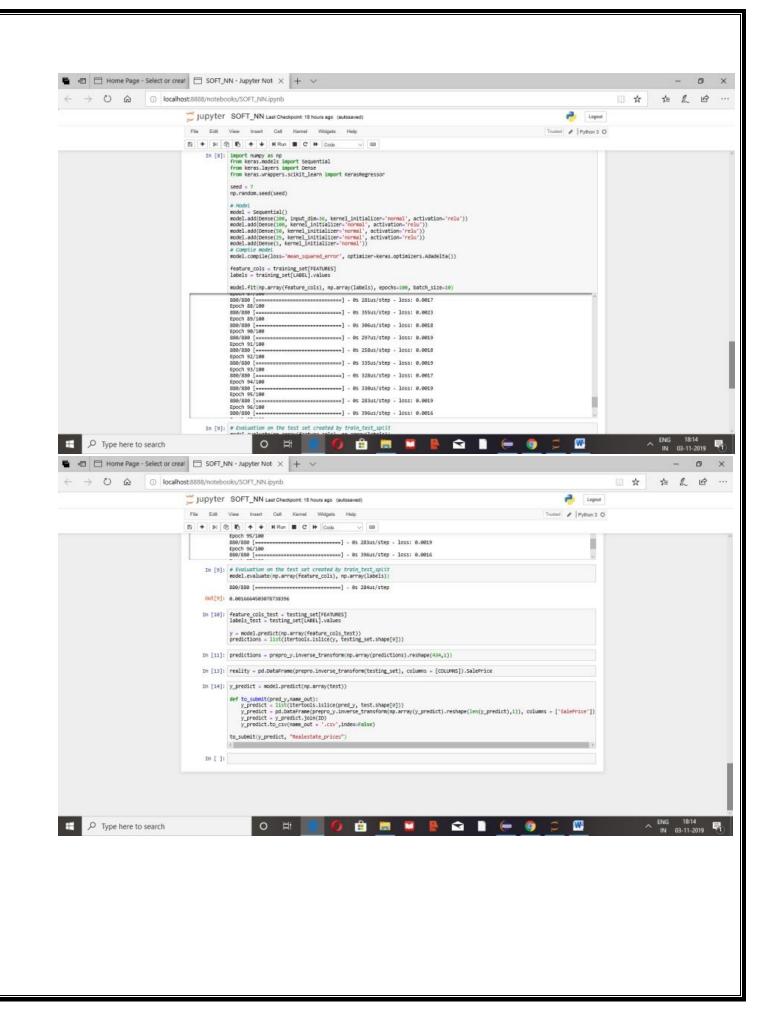
```
# Training set and Prediction set with the features to predict
training_set = train[COLUMNS]
prediction set = train.SalePrice
# Train and Test
x train, x test, y train, y test = train test split(training set[FEATURES],
prediction_set, test_size=0.33, random_state=42)
y_train = pd.DataFrame(y_train, columns = [LABEL])
training_set = pd.DataFrame(x_train, columns = FEATURES).merge(y_train,
left index = True, right index = True)
training_set.head()
# Training for submission
training_sub = training_set[col_train]
y_test = pd.DataFrame(y_test, columns = [LABEL])
testing set = pd.DataFrame(x test, columns = FEATURES).merge(y test,
left index = True, right index = True)
testing_set.head()
import numpy as np
from keras.models import Sequential
from keras.layers import Dense
from keras.wrappers.scikit learn import KerasRegressor
```

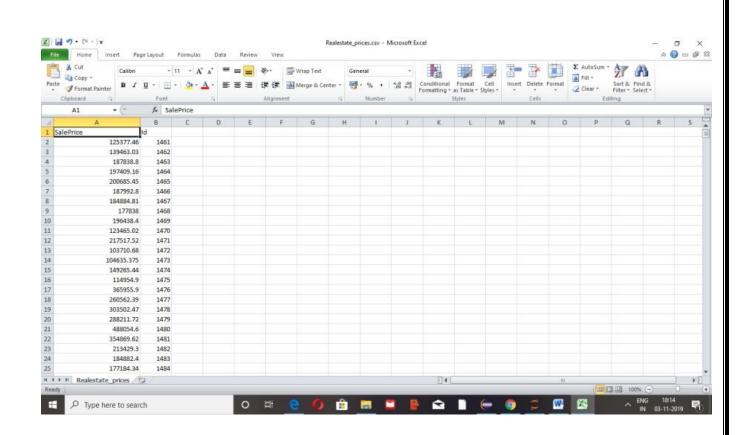
```
seed = 7
np.random.seed(seed)
# Model
model = Sequential()
model.add(Dense(200, input dim=36, kernel initializer='normal',
activation='relu'))
model.add(Dense(100, kernel initializer='normal', activation='relu'))
model.add(Dense(50, kernel_initializer='normal', activation='relu'))
model.add(Dense(25, kernel initializer='normal', activation='relu'))
model.add(Dense(1, kernel initializer='normal'))
# Compile model
model.compile(loss='mean squared error',
optimizer=keras.optimizers.Adadelta())
feature cols = training set[FEATURES]
labels = training_set[LABEL].values
model.fit(np.array(feature_cols), np.array(labels), epochs=100, batch_size=10)
# Evaluation on the test set created by train test split
model.evaluate(np.array(feature_cols), np.array(labels))
```

```
feature_cols_test = testing_set[FEATURES]
labels_test = testing_set[LABEL].values
y = model.predict(np.array(feature cols test))
predictions = list(itertools.islice(y, testing_set.shape[0]))
predictions =
prepro y.inverse transform(np.array(predictions).reshape(434,1))
reality = pd.DataFrame(prepro.inverse transform(testing set), columns =
[COLUMNS]).SalePrice
y_predict = model.predict(np.array(test))
def to_submit(pred_y,name_out):
  y predict = list(itertools.islice(pred y, test.shape[0]))
y predict=pd.DataFrame(prepro y.inverse transform(np.array(y predict).resh
ape(len(y_predict),1)), columns = ['SalePrice'])
  y_predict = y_predict.join(ID)
  y_predict.to_csv(name_out + '.csv',index=False)
to_submit(y_predict, "Realestate_prices")
```









COMPARATIVE STUDY:

The use of the neural network model is similar to the process utilized in building the hedonic price model. However, the neural network must first be trained from a set of data. For a particular input, an output (estimated house price) is produced from the model. Then, the model compares the model output to the actual output (actual house price). The accuracy of this value is determined by the total mean square error and then back propagation is used in an attempt to reduce prediction errors, which is done through the adjusting of the connection weights.

The performance of the network can be influenced by the number of hidden layers and the number of nodes that are included in each hidden layer. Unfortunately, there exists little theory to support the process for the determination of the optimal number of hidden layers and nodes, and also the optimal internal error threshold (Lenk et al., 1997). Therefore, a trial-and-error process is applied to find the optimal artificial neural network model. A feed-forward/back-propagation neural network software package, NeuroShell, was used to construct the artificial neural network model.

CONCLUSION AND FUTURE WORK:

This project presented the development of an artificial neural network-based model that is designed to support real estate investors and home developers in predicting the behavior of the housing market on the short-term. The model utilizes artificial neural networks which are trained using historical market performance data sets in order to predict unforeseen future performance. An application example is analyzed to illustrate the use of the model and demonstrate its capabilities of effectively analyzing and predicting the housing market performance. The model testing and validation showed that the error in prediction is in the range between -2% and +2%.

Final Conclusion: (Research Paper By: Ahmed Khalafallah.):

- 1.robust in approximating almost any input/output.
- 2. Several network structures are trained, cross-validated and tested by varying the number of hidden layers, the number of neurons in each hidden layer, the transfer function, the learning method, the cross-validation sample size, and the testing sample size.

REFERENCES:

- 1.© 2015 Published by Elsevier B.V. This is an open access article under the CC BY-NC-ND license (http://creativecommons.org/licenses/by-nc-nd/4.0/). Peer-review under responsibility of organizing committee of the 3rd International Conference on Recent Trends in Computing 2015 (ICRTC-2015)
- 2.TSINGHUA SCIENCE AND TECHNOLOGY ISSN 1007-0214 52/67 pp325-328 Volume 13, Number S1, October 2008.
- 3. Revista de Metodos Cuantitativos para la Economia y la Empresa · June 2013.
- 4.17th Meeting of the EURO Working Group on Transportation, EWGT2014, 2-4 July 2014, Sevilla, Spain.

	ence and Technology University, Faculty I Engineering Department, Adana, Turk	
	ratory of Land Resources Evaluation an mal University, Chengdu 610068, China	
a.b Land and	Resources Department of Sichuan Prov	vince, Chengdu 610072, China.
Higher Schoo	ol of Economics, Faculty of Economics, S	Sedova St. 55/2, Saint-